

# Greater North Park

**Public Facilities Financing Plan  
Fiscal Year 2002**

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Planning Department  
Facilities Financing

RESOLUTION NUMBER R- 296424

ADOPTED ON APR 30 2002

A RESOLUTION OF THE COUNCIL OF THE CITY OF  
SAN DIEGO APPROVING THE GREATER NORTH PARK  
PUBLIC FACILITIES FINANCING PLAN, RESCINDING  
THE EXISTING DEVELOPMENT IMPACT FEES FOR  
THE GREATER NORTH PARK COMMUNITY AND  
ESTABLISHING NEW DEVELOPMENT IMPACT FEES  
FOR ALL PROPERTY WITHIN THE GREATER NORTH  
PARK COMMUNITY.

APPROVED: CASEY GWINN, City Attorney

By   
Kristin Schenone  
Deputy City Attorney

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Dick Murphy

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George Stevens, Council District 4

Brian Maienschein, Council District 5  
Donna Frye, Council District 6  
Jim Madaffer, Council District 7  
Ralph Inzunza, Council District 8

## **City Attorney's Office**

Casey Gwinn, City Attorney  
Kristin Schenone, Deputy City Attorney

## **Planning Department**

S. Gail Goldberg, AICP, Planning Director  
Gary W. Halbert, Chief Deputy Director  
Charlene M. Gabriel, Facilities Financing Manager  
Pamela Bernasconi, Supervising Project Manager  
Vicki Burgess, Project Manager  
Gloria Hensley, Principal Engineering Aide  
Mary Griego, Word Processing Operator

## **Greater North Park Community Planning Association**

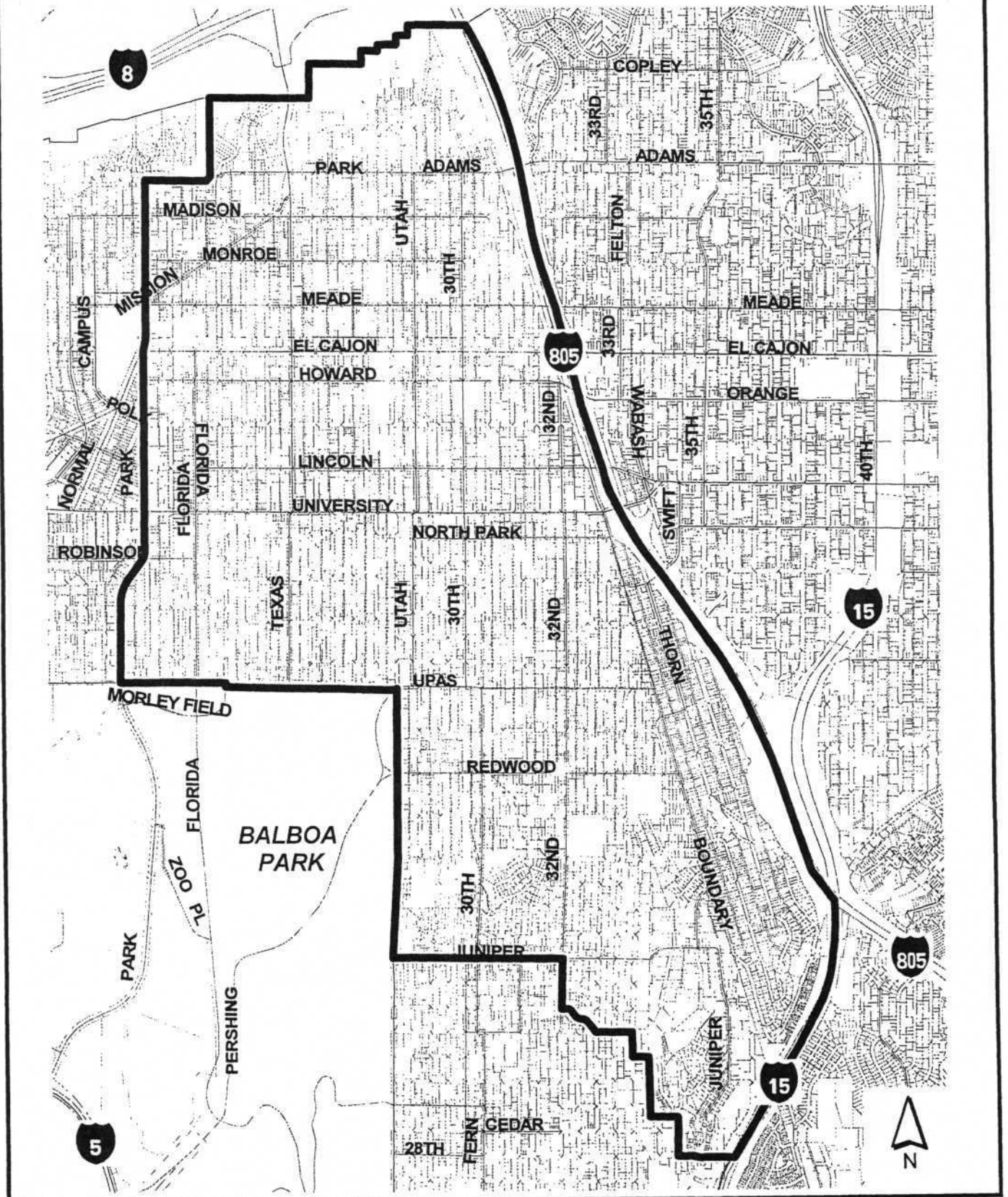
### **\* Also on Facilities Financing Subcommittee**

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## **Facilities Financing Subcommittee**

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Evelyn Warner	Lynn Susholtz
Kitty Callen	Lorraine Halac

FIGURE 1  
**GREATER NORTH PARK  
BOUNDARY**



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# **Greater North Park Summary**

## **General**

The PROGRESS GUIDE AND GENERAL PLAN for the City of San Diego recommends division of the City into planning areas which are designated as Urbanized, Planned Urbanizing and Future Urbanizing areas. Urbanized areas include the central portion of San Diego as well as the remaining older sections of the City. Planned Urbanizing areas consist of newly developing communities. Future Urbanizing areas include land which is primarily undeveloped.

The Greater North Park community planning area is an Urbanized area. This document is the first Public Facilities Financing Plan which sets forth the major public facilities needs in the areas of transportation (streets, storm drains, traffic signals, etc.), libraries, park and recreation facilities, and fire stations.

This plan supersedes the previously approved Community Facilities Summary List. The facilities listed in this Financing Plan will be needed over the next approximately twenty years when the ultimate build-out of the community is programmed. The Greater North Park Public Facilities Financing Plan is a guide for future development within the community and serves to determine the public facility needs reflected in this document. The City Council has previously adopted a Special Park Fee, and a Development Impact Fee to help mitigate the cost of the public facilities necessitated by development in the community. The Development Impact Fees for residential development were adopted on August 4, 1987, by Resolution #R-269019, and commercial/industrial Development Impact Fees were adopted on September 14, 1987, by Resolution #R-269274.

## **Development Forecast and Analysis**

The Greater North Park Community Plan is a comprehensive policy guide for the physical development of the community. The Greater North Park Community is generally bound on the north by Interstate 8, on the east by Interstate 805, on the south by the community of Greater Golden Hill and Balboa Park, and on the west by the community of Uptown.

The Greater North Park Community, totaling approximately 1,466 acres, is developing in accordance with the Greater North Park Community Plan, adopted in 1986. Currently, the Greater North Park community contains approximately 9,031 single family detached units, 9 mobile homes, and 15,743 multiple family dwelling units, with a total population of 47,235.

## ***Greater North Park Public Facilities Financing Plan***

An analysis of present and projected development, and using the community plan as a guide indicates that, over the next twenty-year period, approximately 3,556 additional residential dwelling units will be constructed.

### **Periodic Revision**

To ensure that this program maintains its viability, this plan may be periodically revised to include, but not necessarily limited to, City Council changes (amendments) to the Community Plan.

## **Existing Public Facilities & Future Needs**

### **Transportation**

Greater North Park is served by a transportation network which consists of automobile and public transportation systems, a bicycle system, and a pedestrian circulation system. Provision of adequate transportation facilities has been a continuing process of providing those facilities to support the needs of future development.

Transportation improvements in Greater North Park are dictated by traffic volume. Improvements will be funded through a combination of Development Impact Fees (DIF), grants and other funding sources yet to be determined.

### **Park and Recreation**

The Greater North Park community is currently served by one population-based community park, the North Park Community Park. Two neighborhood parks, Montclair Park and Old Trolley Barn Park, and one mini-park, Redwood Mini-Park. Also, two joint use areas serve the community: Garfield Elementary and North Park Elementary Schools. Balboa Parks, Morley Field area serves the community, as well as the region.

Based on the City of San Diego Progress Guide and General Plan standards for population-based park acreage, with a current population of 47,235, park acreage is deficient.

As additional dwelling units are constructed, the resulting residents will require park or park-like facilities to serve them. In order to help satisfy the park acreage deficiency, the mutually-beneficial development of joint-use facilities with the San Diego Unified School District is encouraged. The Park and Recreation Department and the San Diego Unified School District have recently negotiated a Draft Memorandum of Understanding (MOU) related to the development and maintenance of joint-use facilities which recommends joint-use areas contain two (2) useable acres to accommodate turf in a configuration acceptable for multi-sports use. Joint use areas less than two (2) acres in size will require a higher level of maintenance and/or other measures to ensure durability of the facility.

## **Library**

Two (2) City of San Diego branch libraries are located within the vicinity of the Greater North Park Community. The University Heights Branch built in 1966 has 3,749 square feet, the North Park Branch built in 1959, was expanded in 1987 and has 8,000 square feet.

The Greater North Park Community needs two new 20,000 square foot libraries. The additional space is needed to accommodate the increased population and provide meeting rooms and additional technology capabilities.

## **Fire Protection**

Fire protection for Greater North Park is provided by Station No. 14, located in Greater North Park, Station No. 5 in Hillcrest, Station No. 18 in Normal Heights, Station No. 11 in Greater Golden Hill and Station No. 17 in City Heights provide additional support. An additional fire station is proposed to serve the area.

## **Police Protection**

The Greater North Park community is served by the San Diego Police Department's Western Division, located at 5215 Gaines Street. In addition to this police substation, there is one police storefront in the community, located at 3956 30<sup>th</sup> Street.



## **Summary of Public Facilities Needs**

The following Table summarizes the facility needs of the Greater North Park community. Table 1 reflects both long range needs and those reflected in the current Council adopted Capital Improvement's Program (CIP). These projects are more fully described in Appendix A.

The near term needs listed in Table 1 are subject to annual revisions in conjunction with Council adoption of the Annual Capital Improvement's Program budget. Depending on priorities and availability of resources, substantial changes from year to year are possible.

## **Greater North Park - Public Facilities Financing Plan**

### **Financing Strategy**

The City of San Diego has a variety of potential funding sources for financing public facilities which will be provided in part by developers as part of the subdivision process. Potential other methods for financing public facilities are listed below:

- A. DEVELOPMENT IMPACT FEES (DIF)
- B., SPECIAL PARK FEE (SPF)
- C. TRANSNET, GAS TAX
- D. ASSESSMENT DISTRICTS
- E. LANDSCAPING AND LIGHTING ACTS
- F. GENERAL OBLIGATION BOND ISSUES
- G. CERTIFICATES OF PARTICIPATION (COP)
- H. LEASE REVENUE BONDS
- I. BUSINESS LICENSE TAX REVENUE\*
- J. CAPITAL OUTLAY (LEASE REVENUE)
- K. COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)
- L. FRANCHISE FEE REVENUE\*
- M. LOCAL TRANSPORTATION FUND
- N. MOTOR VEHICLE LICENSE FEE (MVLF) REVENUE\*
- O. PARKING VIOLATION REVENUE\*
- P. PARKING METER REVENUE\*
- Q. PARK SERVICE DISTRICT FEES (PSD)
- R. PROPERTY TAX REVENUE\*
- S. TRANSIENT OCCUPANCY TAX (TOT)\*
- T. ANNUAL ALLOCATIONS
- U. PRIVATE CONTRIBUTIONS
- V. UTILITY USERS TAX
- W. SPECIAL TAXES FOR FIRE AND POLICE PROTECTION
- X. SPECIAL TAXES FOR PUBLIC LIBRARIES
- Y. PARK AND PLAYGROUND ACT OF 1909
- Z. GRANTS

## ***Greater North Park Public Facilities Financing Plan***

\*These funds are currently allocated for general City operations, but may be used for capital improvements.

- A. **DEVELOPMENT IMPACT FEES (DIF)** - Development Impact Fees are a method whereby the impact of new development upon the infrastructure is assessed, and, a fee system developed and imposed on developers to mitigate the impact of new development. DIF cannot be used for existing development's share. Impact fees are collected at the time of building permit issuance. Funds collected are deposited in a special interest bearing account and can only be used for identified facilities serving the community in which they were collected. As sufficient funds are collected, the City proceeds with a construction program. Use of impact fees is one of the financing methods recommended for Greater North Park.
- B. **SPECIAL PARK FEE (SPF)** - Special Park Fees are a method whereby the impact of residential development upon the Park and Recreation infrastructure is assessed, and, a fee system developed and imposed on developers to mitigate the impact of development. Special Park Fees are collected at the time of building permit issuance. Funds collected are deposited in a special interest bearing account and can only be used for identified Park and Recreation facilities serving the community in which they were collected. As sufficient funds are collected, the City proceeds with a Park and Recreation construction program. Use of Special Park Fees is one of the financing methods recommended for Greater North Park.
- C. **TRANSNET, GAS TAX**, and other programs such as a state-local partnership program may provide funds for community transportation projects. These funds will be allocated annually and may be used to fund a portion of the long-range capital need for future transportation improvements in Greater North Park.
- D. **ASSESSMENT DISTRICTS** – Special assessment financing, using 1913/1915 Assessment Acts or a Mello-Roos District could be used as a supplementary or alternative method of financing some facilities. A Mello-Roos District requires a 2/3 approval vote for passage. Other assessment districts generally require the support of the majority of the community. If an assessment is subject to Proposition 218, it would require a 2/3 vote.
- E. **LANDSCAPING AND LIGHTING ACTS** – Funds may be used for parks, recreation, open space, installation/construction of planting and landscaping, street lighting facilities, and maintenance. These ballot measures require 2/3 voter approval for passage.
- F. **GENERAL OBLIGATION BOND ISSUES** – Cities, counties and school districts may issue these bonds to finance land acquisition and capital improvements. The bonds are repaid with the revenues from increased property taxes. Bond issuance require 2/3 voter approval for passage.

## ***Greater North Park Public Facilities Financing Plan***

- G. **CERTIFICATES OF PARTICIPATION (COP)** - These funds may only be used for land acquisition and capital improvements. City Council approval is required and a funding source for Debt Service must be identified.
- H. **LEASE REVENUE BONDS** - These funds may only be used for capital improvements. City Council approval is required.
- I. **BUSINESS LICENSE TAX REVENUE** - These funds are currently allocated for general City operations; but, may be used for capital improvements. City Council approval is required.
- J. **CAPITAL OUTLAY (LEASE REVENUE)** - These funds are to be used for capital improvements. City Council approval is required.
- K. **COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)** - This is a Federal grant that is applied for annually. Applications are reviewed annually; City Council and HUD approval are required.
- L. **FRANCHISE FEE REVENUE** - The City collects franchise funds from San Diego Gas and Electric and cable companies for use of City right-of- way. These funds are currently allocated for general City operations; but, may be used for capital improvements. City Council approval is required.
- M. **LOCAL TRANSPORTATION FUND** - These funds are applied for and are used only for bikeway projects. City Council and Federal approval are required.
- N. **MOTOR VEHICLE LICENSE FEE (MVLF) REVENUE** - The State allocates a portion of vehicle license fee revenue to local governments. These funds are currently allocated for general City operations; but, may be used for capital projects. City Council approval is required.
- O. **PARKING VIOLATION REVENUE** - These funds are currently allocated for general City operations; but, may be used for capital improvements. City Council approval is required.
- P. **PARKING METER REVENUE** - These funds are currently allocated for general City operations; but, may be used for capital improvements. City Council approval is required.
- Q. **PARK SERVICE DISTRICT FEE (PSD)** - This fee is charged at the subdivision level and can only be used for parks and park improvements. City Council approval is required.
- R. **PROPERTY TAX REVENUE** - Property owners are taxed one percent of the assessed value of the property. The City receives approximately 17 percent of the one percent. These funds are currently allocated for general City operations; but, may be used for capital improvements. City Council approval is required.

## ***Greater North Park Public Facilities Financing Plan***

- S. **TRANSIENT OCCUPANCY TAX (TOT)** - The City's hotel tax is 10.5 percent and is currently allocated to eligible (tourist related) organizations that request funding annually and to tourist related City activities; but, may be used for capital improvements. City Council approval is required.
- T. **ANNUAL ALLOCATIONS** - In the years prior to the passage of Proposition 13, the City was able to respond to community facility needs by using a portion of sales tax revenue to support the Capital Improvements Program. This has not been possible for some time. However, if other revenues are increased, annual allocations could again be used to fund some capital facilities. This is a recommended method of funding some park and recreation facilities and transportation improvements. City Council approval is required.
- U. **PRIVATE CONTRIBUTIONS** - Any private donations received by the City for capital improvements. City Council approval is required.

Potential methods for financing public facilities are described below:

- V. **UTILITY USERS TAX** - These funds may be used for any general City operation or capital improvement. These require 2/3 voter approval for passage.
- W. **SPECIAL TAXES FOR FIRE AND POLICE PROTECTION** - These funds may only be used for fire and police activities. These require 2/3 voter approval for passage.
- X. **SPECIAL TAXES FOR PUBLIC LIBRARIES** - These funds may only be used for libraries and library improvements. These require 2/3 voter approval for passage.
- Y. **PARK AND PLAYGROUND ACT OF 1909** - These funds may be used for parks, urban open-space land, playground, and library facilities. These require 2/3 voter approval for passage.
- Z. **GRANTS** - Grants are available and applied for from the federal government, state and other agencies.

## **General Assumptions and Conditions**

In connection with the application of the following methods of financing, these general assumptions and conditions would apply:

1. Developers will be required to provide facilities normally provided within the subdivision process as a condition of subdivision approval, including but not limited to traffic signals.
2. Abutting property owners are responsible for frontage improvements such as sidewalks, curbs and gutters.

### ***Greater North Park Public Facilities Financing Plan***

3. The DEVELOPMENT IMPACT FEE, and the SPECIAL PARK FEE will be paid by the developer at the time of building permit issuance.
4. DEVELOPMENT IMPACT FEE funds, and SPECIAL PARK FEE funds, collected will be placed in a separate trust fund with interest earnings accumulated for use in the community planning area for identified facilities.

# **Development Impact Fee Determination**

## **Background**

In late 1987, staff developed and recommended impact fees for 28 urbanized communities. The City Council adopted the recommended fees, including those for the Greater North Park community planning area, to mitigate the impact of new development on public facilities. All undeveloped and underdeveloped parcels are subject to development impact fees. Monies collected are placed in City interest-accruing funds, to be used only for capital improvements in the Greater North Park Community.

The Greater North Park Community Plan area is almost fully developed. Since the community is near build out, the fees will provide only a small portion of the financing needed for the facilities. Thus, the majority of the required public improvements will have to be provided through special funding mechanisms other than DIF or SPF.

## **Distribution of Project Costs and Fee Determination**

Development of the actual DIF to be imposed is based on the extent or degree to which each type of development generates a demand for, or receives benefit from the various existing public facilities. For example, all development generates vehicular traffic and thus, on an equitable basis, should share in the cost of transportation projects.

Development Impact Fees were determined for the various categories of needed public facilities on the basis of total amount of development at community plan build-out and on the basis of additional public facilities needed at community plan build-out. The impact fee base includes all project needs except those identified as subdivider funded. The fees also include a 5% charge to cover City administrative costs.

## **Transportation**

There is a clear relationship between the use of transportation facilities and the generation of vehicular trips based upon land use. In the report "San Diego Traffic Generators," authored by CALTRANS and SANDAG, the traffic generated by various classes of use is detailed. This report summarizes data collected at major regional traffic generators as well as neighborhood and local traffic generators in the San Diego area. Traffic counts taken at each facility are related to various characteristics of the facility such as size, type of use, number of employees, floor area, parking spaces, or number of persons. For impact fee purposes, multi-family residential development is assumed for Greater North Park (and all other urbanized communities). The residential portion of the impact fee reflects an average daily trip factor (ADT) of seven (7) as a basis for

## ***Greater North Park Public Facilities Financing Plan***

determining the impact fee. A considerable range has been found for traffic generation in non-residential developments depending on the character and use of the property. Non-residential land uses typically generate between 100 to 900 average daily trips per acre. For non-residential development in the Greater North Park Community, average daily trips were used.

Using the approved land use intensity and trip generation rates, the total number of trips at community plan build-out is estimated to be 562,535. An analysis of the DIF eligible street improvements required at community build-out (estimated costs in FY 2002 dollars) totaling \$33,469,833 indicates that cost per average daily trip for transportation facilities, including administrative costs, is \$62 per trip and \$434 per dwelling unit. The fee per dwelling unit is calculated using the average daily trip rate factor of seven. These amounts will be paid by all future development.

## **Park and Recreation**

Park and Recreation needs are based on population derived from the number of dwelling units in the community. The Park and Recreation Department has identified projects needed in the Greater North Park Community at build-out. These are shown in Table 1 and in detail in Appendix A.

Allocating total park and recreation facility costs of \$78,002,000 to the residential development at build-out of 28,339 units, results in an impact fee, including administrative costs, of \$2,890 per unit.

## **Library**

Library needs are based on population which is derived from the number of dwelling units estimated at build-out. Therefore, only residential developments are charged development impact fee for libraries.

The existing branch libraries are proposed to be replaced with new facilities of approximately 20,000 square feet each. Allocating total library requirements only to residential property results in a library impact fee of \$641 per dwelling unit. This was calculated by dividing total library requirements of \$17,300,000 by 28,339, the number of residential dwelling units at build-out.

## **Fire Facilities**

The Fire Station portion of the impact fee relates to the cost of providing fire facilities to adequately provide fire protection services to both residential and non-residential development within the community. Residential impact fees are based on an average cost per dwelling unit. The average cost per 1,000 square feet of gross building area is used to determine fees for non-residential development.

## ***Greater North Park Public Facilities Financing Plan***

The Fire Department has identified five (5) fire stations serving the Greater North Park area as needing renovation/reconstruction, or construction. Only a portion of the costs of these stations can be fairly allocated to Greater North Park. Using the total amount of development, both residential and non-residential (approximately 37,443,040 square feet), and the Greater North Park proportionate share of needed fire facilities (\$4,035,939), the resulting impact fee is \$115 per residential dwelling unit and \$115 per thousand square feet of non-residential development.



## Development Impact Fee Schedule

The resulting impact fees for the Greater North Park community planning area are as follows:

RESIDENTIAL PROPERTY					COMMERCIAL/INDUSTRIAL	
Transportation	Park & Rec	Library	Fire	Total per Residential Unit	Transportation	Fire
\$ Per Residential Unit					\$/Trip	\$/1000 sq. ft. of Gross Building Area (GBA)
\$434	\$2,890	\$641	\$115	\$4,080	\$62	\$115